

# LA Leadership Academy

## Financial Update

KRISTIN DIETZ & KELSEY WROBEL

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1. 2018-19 State Budget Update
2. FY2017-18 Budget vs. Actuals YTD
3. 2018-19 Proposed Budget

## May budget revision continues to be good for K-12 education

### LCFF

- Proposes \$3B increase to *fully fund LCFF*, two years ahead of schedule
- 100% gap closure and 3% increase of base rates

### COLA

- Proposes 2.71% COLA increase, versus previous 2.51%
- Affects programs such as Special Education and Nutrition

### One-Time Funds

- Proposes over \$2B in one-time, discretionary funding (~\$343 / PY ADA), up about \$50 from January proposal

### SB 740 Facilities Grant

- Proposes increasing 18-19 program funding to \$136.8M (down \$3.6M from January)
- Increases funding in 2017-18 funding to \$133.2M
- Decreases deficit factor from 25% to 10%

# FY2017-18 Forecast Summary

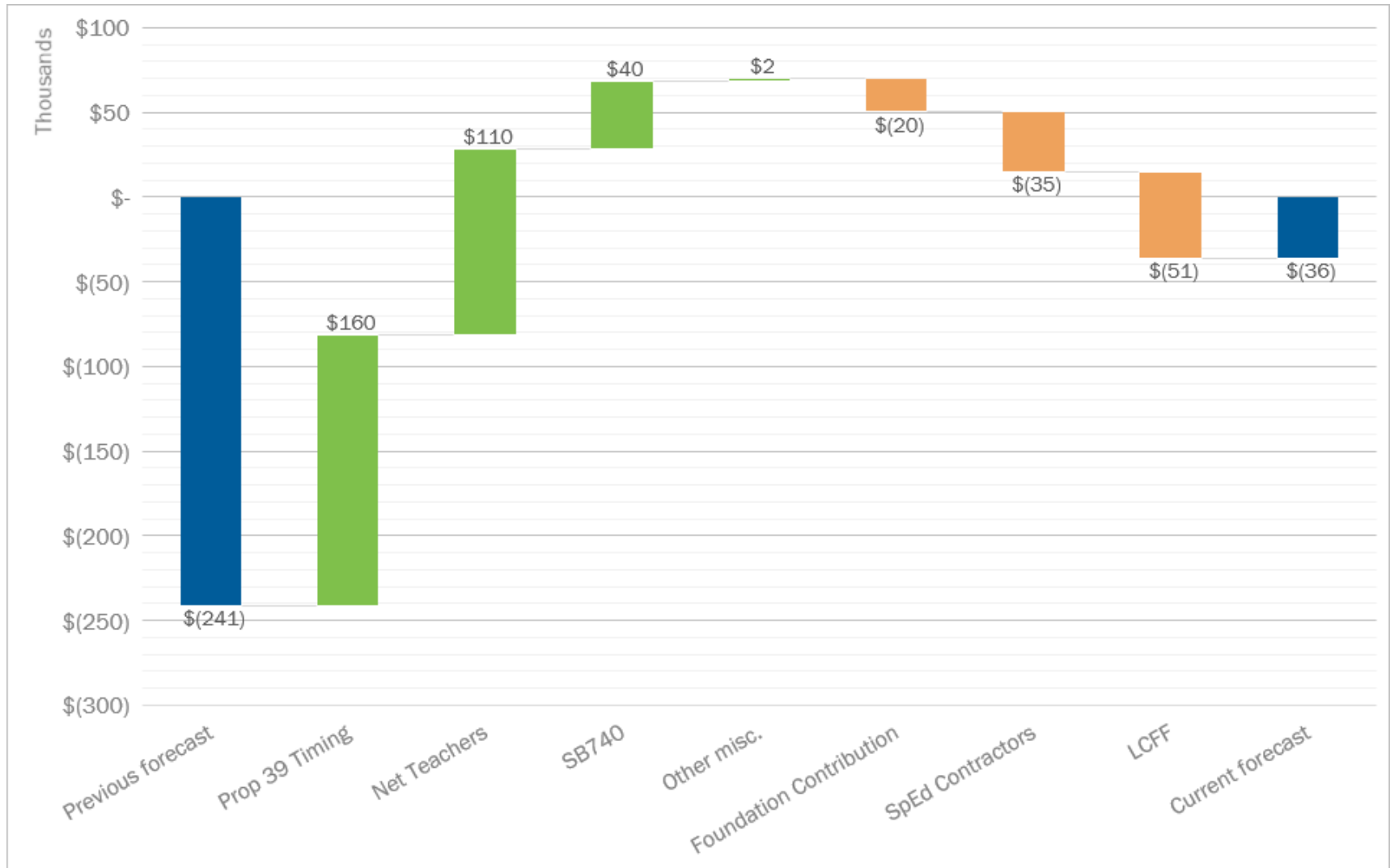
		LALA	LALPA	Home Office	Total (after eliminations)
Revenue	LCFF Entitlement	4,947,323	3,601,191	0	8,548,514
	Federal Revenue	685,645	589,088	0	1,274,733
	Other State Revenues	1,164,171	977,881	0	2,142,052
	Local Revenues	15,556	10,410	953,767	25,966
	Fundraising and Grants	45,259	32,375	0	77,634
	<b>Total Revenue</b>	<b>6,857,954</b>	<b>5,210,945</b>	<b>953,767</b>	<b>12,068,899</b>
Expenses	Comp and Benefits	3,944,104	3,077,016	796,698	7,021,120
	Books and Supplies	769,654	630,562	0	1,400,216
	Services and Other Ops	2,053,985	1,415,973	157,069	3,469,958
	Depreciation	126,189	70,834	0	197,023
	<b>Total Expenses</b>	<b>6,893,932</b>	<b>5,194,386</b>	<b>953,767</b>	<b>12,088,318</b>
	<b>Operating Income</b>	<b>(35,978)</b>	<b>16,559</b>	<b>0</b>	<b>(19,419)</b>
	Beginning Balance (Audited)	5,573,016	3,748,346	1,404	9,322,766
	Operating Income	(35,978)	16,559	0	(19,419)
<b>Ending Fund Balance (incl. Depreciation)</b>		<b>5,537,038</b>	<b>3,764,905</b>	<b>1,404</b>	<b>9,303,347</b>

# FY2017-18 Fund Balance



	LALA-MS/HS	LALPA	Home Office	TOTAL
<b>Net Assets - Forecasted 6/30/18</b>	<b>5,537,038</b>	<b>3,764,905</b>	<b>1,404</b>	<b>9,303,347</b>
<b>Less:</b>				
Invested in fixed assets	4,225,333	2,451,600		6,676,933
Net of related debt	(927,000)			(927,000)
Invested in prepaids	66,694	11,667		78,361
Invested in other long-term assets				-
Restricted:				-
Prop 39 Clean Energy	279,472	263,756		543,228
Internal - 9xxx codes	-	16,623	-	16,623
<b>Total Net assets invested or reserved</b>	<b>3,644,499</b>	<b>2,743,646</b>	<b>-</b>	<b>6,388,145</b>
<b>Net Assets available for operations</b>	<b>1,892,539</b>	<b>1,021,259</b>	<b>1,404</b>	<b>2,915,202</b>
<b>% available for operations (% of expense)</b>	<b>26.87%</b>	<b>19.30%</b>	<b>0.14%</b>	<b>21.90%</b>
<b># months expenses in reserves</b>				<b>2.6</b>

# FY2017-18 Forecast Update- LALA

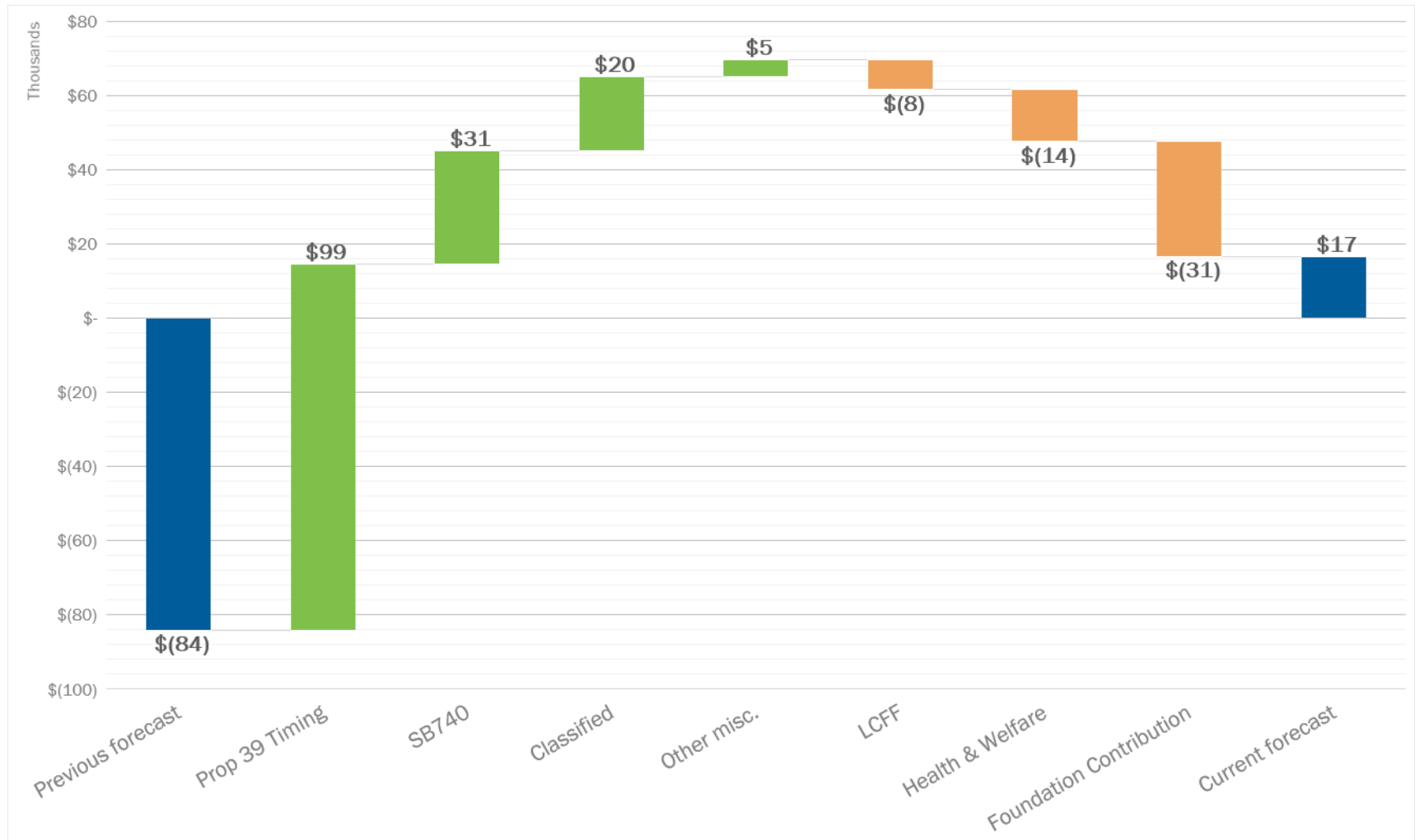


# FY 17-18 Budget vs. Actuals – LALA



		Actuals through 4/30/18	Current Forecast	% of Forecast Received/ Spent
Revenue	LCFF Entitlement	3,812,404	4,947,323	77%
	Federal Revenue	514,997	685,645	75%
	Other State Revenues	876,241	1,164,171	75%
	Local Revenues	15,556	15,556	100%
	Fundraising and Grants	23,259	45,259	51%
	<b>Total Revenue</b>	<b>5,242,457</b>	<b>6,857,954</b>	<b>76%</b>
Expenses	Comp and Benefits	3,022,076	3,944,104	77%
	Books and Supplies	582,852	769,654	76%
	Services and Other Ops	1,248,802	2,053,985	61%
	Depreciation	0	126,189	0%
	<b>Total Expenses</b>	<b>4,853,730</b>	<b>6,893,932</b>	<b>70%</b>
	<b>Operating Income</b>	<b>388,727</b>	<b>-35,978</b>	

# FY2017-18 Forecast Update - LALPA





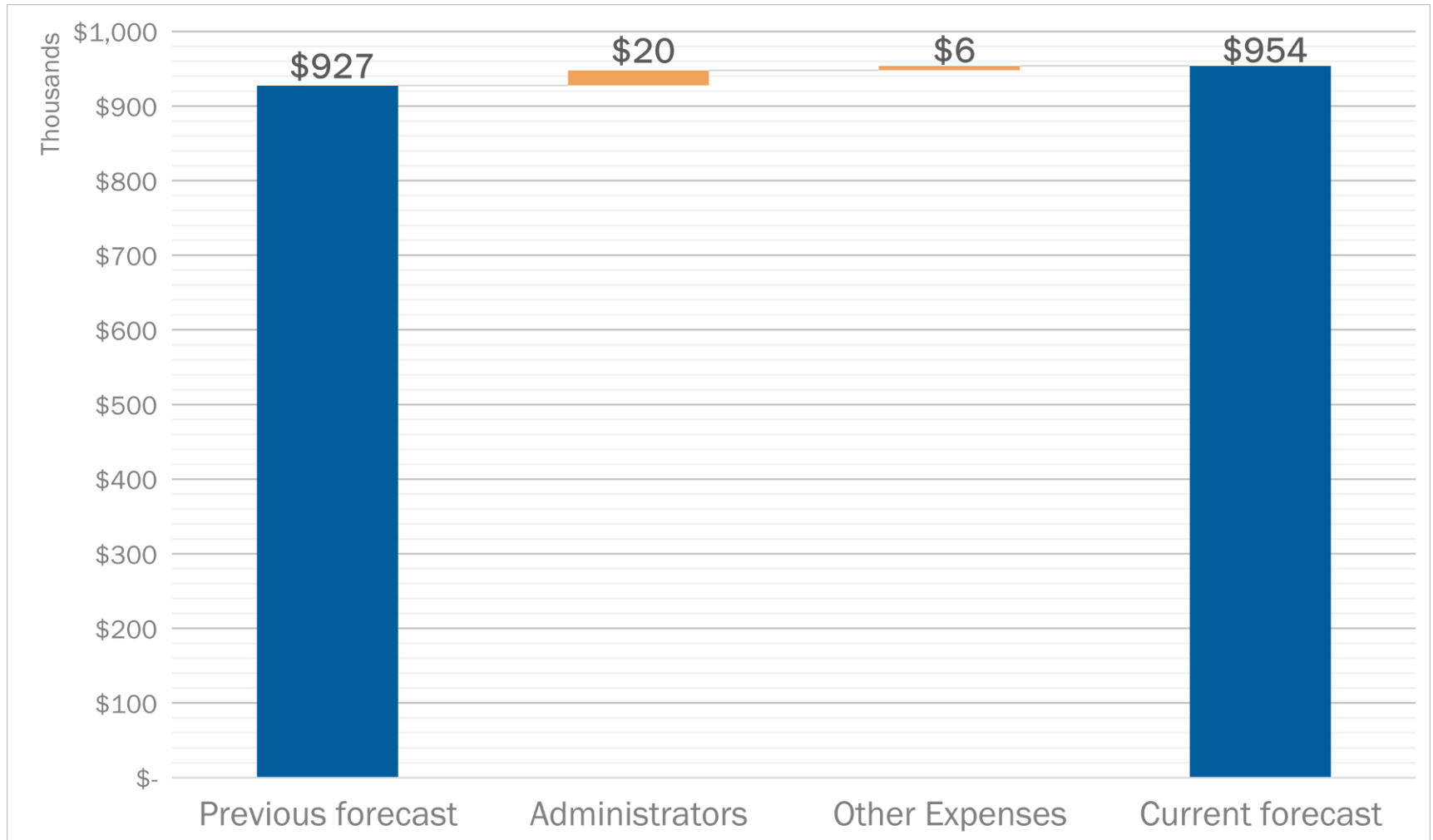
# FY 17-18 Budget vs. Actuals – LALPA



		Actuals through 4/30/18	Current Forecast	% of Forecast Received/ Spent
Revenue	LCFF Entitlement	2,817,374	3,601,191	78%
	Federal Revenue	384,698	589,088	65%
	Other State Revenues	760,323	977,881	78%
	Local Revenues	10,410	10,410	100%
	Fundraising and Grants	32,375	32,375	100%
	<b>Total Revenue</b>	<b>4,005,179</b>	<b>5,210,945</b>	<b>77%</b>
Expenses	Comp and Benefits	2,383,320	3,077,016	77%
	Books and Supplies	420,113	630,562	67%
	Services and Other Ops	857,567	1,415,973	61%
	Depreciation	0	70,834	0%
	<b>Total Expenses</b>	<b>3,661,001</b>	<b>5,194,386</b>	<b>70%</b>
	<b>Operating Income</b>	<b>344,178</b>	<b>16,559</b>	

# FY2017-18 Forecast Update – Home Office

## Total Home Office Expenses



# FY 17-18 Budget vs. Actuals – Home Office

		Actuals through 4/30/18	Current Forecast	% of Forecast Spent
Expenses	Comp and Benefits	663,956	796,698	83%
	Services and Other Ops	111,899	157,069	71%
	<b>Total Expenses</b>	<b>775,855</b>	<b>953,767</b>	<b>81%</b>

# 2018-19 Budget Summary

		LALA	LALPA	Home Office	Total (after eliminations)
Revenue	LCFF Entitlement	5,094,323	3,873,817	0	8,968,140
	Federal Revenue	664,568	573,457	0	1,238,025
	Other State Revenues	1,103,676	832,231	0	1,935,907
	Local Revenues	25,000	25,000	977,206	50,000
	Fundraising and Grants	50,000	10,000	0	60,000
	<b>Total Revenue</b>	<b>6,937,567</b>	<b>5,314,505</b>	<b>977,206</b>	<b>12,252,072</b>
Expenses	Comp and Benefits	3,997,793	3,048,249	821,137	7,046,042
	Books and Supplies	840,792	639,562	0	1,480,354
	Services and Other Ops	2,058,989	1,516,253	156,069	3,575,242
	Depreciation	144,494	88,164	0	232,658
	<b>Total Expenses</b>	<b>7,042,068</b>	<b>5,292,228</b>	<b>977,206</b>	<b>12,334,296</b>
	<b>Operating Income</b>	<b>(104,501)</b>	<b>22,277</b>	<b>0</b>	<b>(82,224)</b>
Expenses related to Prop 39 revenues received in prior years		169,282	107,306	0	276,588
<b>Operating Income before restricted spending</b>		<b>64,781</b>	<b>129,583</b>	<b>0</b>	<b>194,364</b>
	Beginning Balance (Projected)	5,537,038	3,764,905	1,404	9,303,347
	Operating Income	(104,501)	22,277	0	(82,224)
<b>Ending Fund Balance (incl. Depreciation)</b>		<b>5,432,537</b>	<b>3,787,182</b>	<b>1,404</b>	<b>9,221,123</b>

# Revenue Assumptions – State & Federal

Revenue Drivers	LALA		LALPA	
	2017/18	2018/19	2017/18	2018/19
Enrollment	509	512	386	386
ADA	483	486	364	366
Unduplicated Count (%)	346 (68.5%)	351 (68.6%)	326 (90.3%)	349 (90.4%)
District UPP	85.4%	85.4%	85.4%	85.4%

Funding Sources		LALA		LALPA	
		2017/18	2018/19	2017/18	2018/19
LCFF	Rate Per ADA	\$10,244	\$10,474	\$9,885	\$10,578
Federal Revenue	SPED Per ADA	\$196	\$196	\$196	\$196
	Title I-III	\$225K	\$204K	\$197K	\$181K
	Nutrition % reimbursement	85.7%	85.7%	\$89.3%	\$89.3%
Other State Revenue	SPED Per ADA	\$572	\$572	\$572	\$572
	Nutrition % reimbursement	7.2%	7.2%	6.3%	6.3%
	SB740	\$356K	\$356K	\$275K	\$275K
	One Time Funds per PY ADA	\$147	\$343	\$147	\$343
	Mandate per PY ADA	\$29	\$29	\$16	\$16
	Lottery per ADA	\$194	\$194	\$194	\$194
	ASES	\$164K	\$164K	\$123K	\$123K
Prop 39 CE	\$144K	\$0	\$205K	\$0	

# Revenue Assumptions – Local

Funding Source	Use	LALA		LALPA	
		2017/18	2018/19	2017/18	2018/19
MTSS Grant	Professional Development	\$0	\$25K	\$0	\$25K
Option 3	Step grants – special education	\$15K	\$0	\$10K	\$0
LALA Foundation	Student activities	\$0	\$20	\$0	\$10K
Everybody Deserves Music	MS Music program	\$30K	\$30K	\$0	\$0
Fundraising	Student activities	\$15K	\$0	\$32K	\$0

# Expense Assumptions –Staff Counts (students per staff)

	LALA		LALPA		Home Office	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
Teachers	31.8 (16)	28 (18)	22.2 (17)	21 (18)		
Teachers – Special Education	2 (255)	2 (256)	2 (193)	2 (193)		
Administrators	4.4 (116)	4 (128)	2.35 (164)	2 (193)	2.25	3
Other Certificated	1.3 (392)	1.5 (341)	0.7 (551)	0.5 (772)		
Instructional Aides	11.8 (43)	8 (64)	10.2 (38)	8 (48)		
Classified Administration					1	1
Clerical/Office	3.51 (145)	3.4 (151)	3.49 (111)	2.6 (148)	2	1
Other	1 (509)	1.4 (366)	5 (77)	5.6 (69)	1	
Grounds/Maintenance	4 (127)	4 (128)	3 (129)	2 (193)		

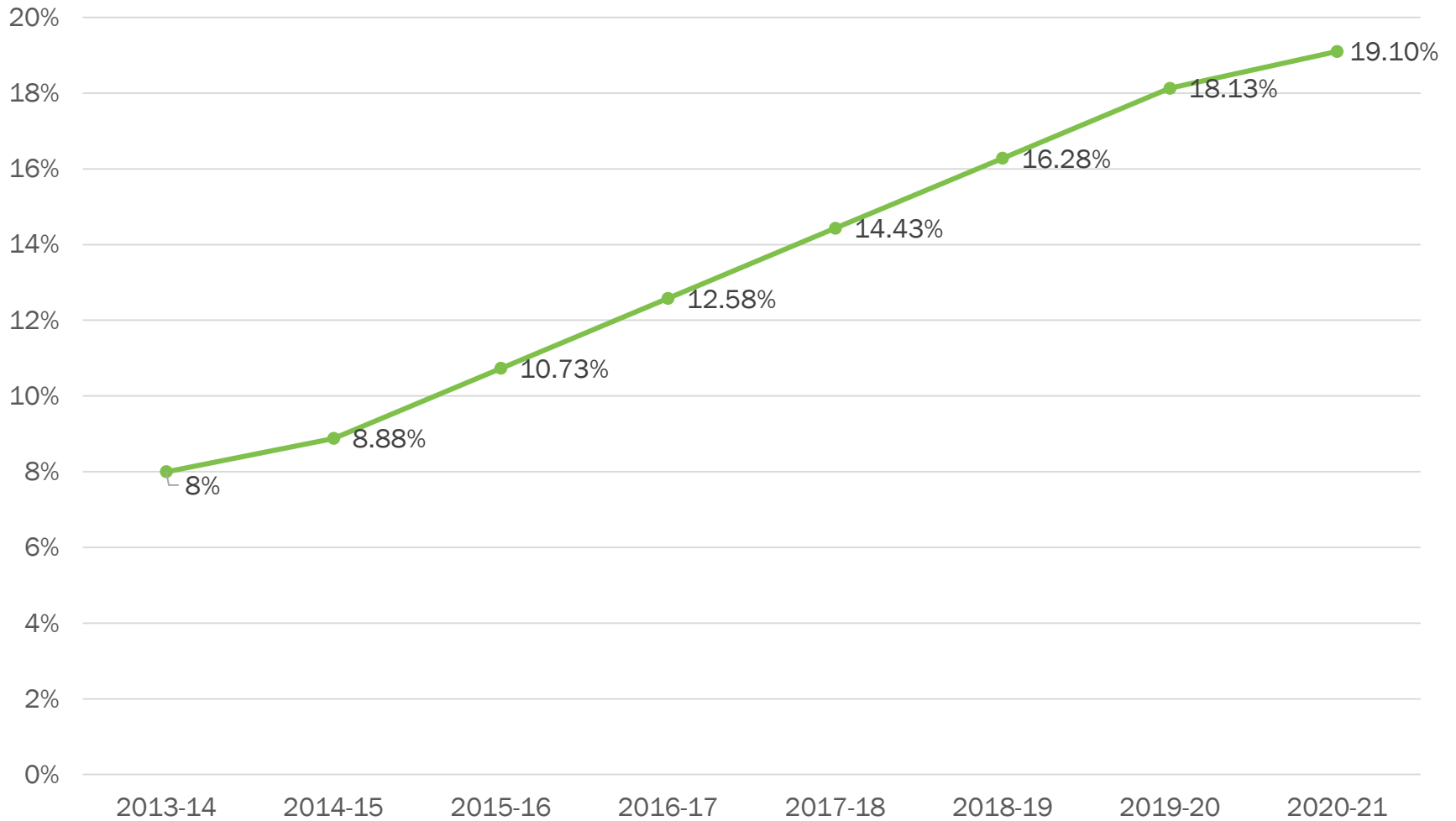
# Expense Assumptions – Payroll taxes & benefits

	2017/18	2018/19
STRS	14.43%	16.28%
Medicare	1.45%	1.45%
Social Security (non-STRS employees)	6.2%	6.2%
Workers' Comp Insurance	2.65%	2.65%
State Unemployment Insurance	6.2% (of first \$7K per employee)	6.2% (of first \$7K per employee)
Health & Welfare	Budget amounts held constant from 2017-18	



# STRS Growth Rate Over Time

## 2018-19 employer contribution is up 103% from 2013-14



# Expense Assumptions – Supplies (\$/student)

	LALA		LALPA	
	2017/18	2018/19	2017/18	2018/19
4100 – Textbooks	50	49	57	57
4200 – Other Books	16	16	21	21
4300 – Materials & Supplies	567	564	575	575
4400 – Noncapitalized Equipment	41	41	52	31
4400 – Prop 39	0	139	0	44
4700 – Student Food Services	838	833	931	931

# Expense Assumptions – Other OpEx (\$/student)

	LALA		LALPA	
	2017/18	2018/19	2017/18	2018/19
5200 – Travel & Conferences	53	53	26	26
5300 – Dues & Memberships	24	23	12	12
5400 – Insurance	133	133	95	95
5600 – Rentals, Leases, Repairs	1324	1228	1252	1249
5800 – Other Services & Operating	1388	1,295	1194	1242
5800 – CMO Fees	1068	1,089	1064	1089
5800 – Prop 39	0	156	0	189
5900 – Communications	45	45	31	31